



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

December 20, 2006

Mr. Loy Crapo
aka The Bug House
350 East 300 South
Post Office Box 1113
Delta, Utah 84624

Subject: Request for Certificate of Deposit (CD) Letter Agreement and Bank
Administrative Hold Letter for CD in the Amount of \$5716.64, Loy Crapo aka
The Bug House, Treasure Chest, M0230028, Juab County, Utah

Dear Mr. Crapo:

In a recent letter to the Division, you indicated there was a CD in place with Wells Fargo bank in the amount of \$5716.64 that serves as reclamation surety. The Division appreciates this information, however, further re-titling and documentation requirements are necessary in order to finalize the process.

The Division requires the completion of a CD letter agreement, an administrative hold letter, and correct titling of the CD. Please have your bank contact Beth Ericksen, Minerals Surety Coordinator, so the re-titling and the associated paperwork can be completed. She can be reached by telephone or email, (801) 538-5318 or bethericksen@utah.gov.

In your letter, there was indication that the reclamation contract for this project had not been received. Please find it enclosed. Please sign and have it notarized, returning the original to the Division, attention Minerals Regulatory Program.

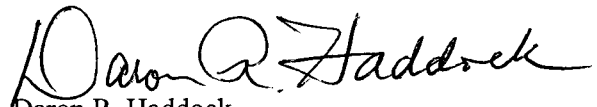
Division approval of the reclamation surety cannot occur until these final steps are taken and the CD re-titling and paperwork is complete. The Division can take no further review action of the reclamation surety documents until the above requirements are addressed.

If you have questions about the permit, please contact Mr. Tom Munson, Reclamation Specialist, (801) 538-5321. He can assist with modifying the permit to reflect actual ground disturbance and determining the required surety amount for this site.

Page 2
Loy Crapo
M0230028
December 20, 2006

Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely,

A handwritten signature in black ink, reading "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" being more prominent than the last name "Haddock".

Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

SMW:BE:be

Enc: small mine reclamation contract

cc: Beth Ericksen, DOGM

Tom Munson, DOGM

Shannon Young, Wells Fargo, 225 West Main, Delta Utah 84624

P:\GROUPS\MINERALS\WP\M023-Juab\S0230028-treasurechest\final\suretyretitlingrequiredS023028.doc